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STAFF NOTES:

Soviet Union Eastern Europe

State Dept. review completed

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Soviets Still Show No Pattern on Reactions to US Trade Bill

Private comments by Soviet bureaucrats indicate that the leadership has not yet provided definitive guidance on what line to take regarding the impact on US-Soviet economic relations of the US Trade Reform Act and credit ceiling. The volume of critical press commentary on the trade act emigration issue has tapered off to occasional sniping, but negative treatment of the US on other issues remains at unusually high levels.

Embassy officials have detected no firm pattern in discussions with representatives of ministries directly affected by the trade issue. A young staff member of the Foreign Ministry last week described the congressional stipulations and limitations as a "gross insult." A Foreign Trade Ministry official concerned with US-Soviet commerce termed current prospects for expanded bilateral trade "not bright."

Other Soviets have been less negative. A deputy minister of the timber and wood-processing industry said, without animus, that the legislation was an "internal matter" for the US. Several officials, including some involved with fossil fuel development projects, have sought clarification of the practical effects of the new Export-Import Bank credit ceiling. They and others, however, seem to be proceeding on the basis of US-Soviet business as usual.

The leadership is likely to move carefully in translating its disappointment with the trade legislation into a policy response. Too sharp a reaction, such as rejection of the 1972 trade agreement, could jeopardize existing Soviet gains from the agreement and invite US retaliation. Moscow can probably continue to finesse the issue unless the US presses for some indication that the Soviets will resume payments

on the Lend Lease debt in return for the US grant of MFN status; the first payment will be due in July 1975 if the USSR receives formal notification by May 31.

The Soviets will carefully consider the political implications of any response. They have argued in the past that political detente cannot flourish without economic cooperation. Since they have shown no serious sign of forsaking their "peace program," despite increased criticism of the US in recent weeks, they may prefer to settle for little more than verbal remonstrances. If, however, the emigration issue and credit restrictions are causing real pressure on the leadership, as fragmentary and circumstantial evidence suggests, the Politburo may decide to harden its policy toward the US, even at

some cost to the momentum of detente.

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Supreme Soviet Seating--A Movable Feast

Victor Zorza's article in The Washington Post of January 12, 1975 is one of his best. As "East Europeans by adoption, we have only a few points of disagreement. Kulakov has worked effectively as secretary for agriculture under Brezhnev's leadership, but we know of no evidence that he is the General Secretary's personal protege. He made his career in agricultural work in the RSFSR--Penza and Stavropol-and is not known to have had any close contacts with Brezhnev until he was appointed chief of the Central Committee's Agricultural Department in November 1964 to replace an ousted Khrushchevite. He was promoted to Secretary in September 1965--a difficult time in which to attempt to assign personal responsibility for moves within the leadership. As secretary for agriculture, he obviously had to be acceptable to Brezhnev, but we do not feel that fluctuations in his career are indicative of Brezhnev's own power position.

Kulakov, Mazurov, Shelepin and Polyansky are, of course, natural rivals for a future without Brezhnev. We have not, however, been successful in divining any particular significance in their seating in the last four Supreme Soviet sessions, which are as follows:

December 18, 1974 (Pravda, December 19)

- Row 3 Kulakov, Ponomarev, Grechko, Gromyko, Solomentsev
- Row 2 Mazurov, Grishin, Shelepin, Pelshe, Polyansky
- Row 1 Kirilenko, Suslov, Podgorny, Kosygin, Brezhnev

<u>July 26, 1974</u> (Pravda, July 27)

- Row 3 Grechko, Shelepin, Andropov, Gromyko, Solomentsev
- Row 2 Kulakov, Pelshe, Grishin, Mazurov, Polyansky
- Row 1 Kirilenko, Suslov, Podgorny, Kosygin, empty chair of speaker Brezhnev

December 12, 1973 (Pravda, December 13)

- Ponomarev, Andropov, Shelepin, Gromyko, Grechko
- Grishin, Kulakov, Pelshe, Mazurov, Polyansky
- Row 1 Kirilenko, Suslov, Podgorny, Kosygin, Brezhnev

July 17, 1973 (Pravda, July 18)

- Kapitonov, Ponomarev, Grechko, Gromyko, Andropov Row 3
- empty chair of speaker Mazurov, Kulakov, Pelshe, Row 2 Shelepin, Polyansky

Kirilenko, Suslov, Podgorny, Kosygin, Brezhnev Row 1

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Hungary: Laughing at Kadar

A popular Hungarian comedian was recently permitted to perform an imitation of party leader Kadar on domestic evening television, and his act received a favorable review in the party daily. Although the incident does not signal a return to the more open, ebullient cultural policy of past years, Budapest clearly hopes that this display of tolerance will counterbalance in the public mind the recent outpouring of commitment to increased orthodoxy.

The TV show apparently had the desired effect on the public mood. The US embassy reports that the popular conclusion was that the performance indicated Kadar will stay on and that no major policy shifts are likely at the party congress in March.

Pointed political satire is not new in Hungary, but showing it to a wide television audience is rare. The comedian, Geza Hofi, had been doing this particular caricature of Kadar for some time at one of Budapest's popular political cabarets. These clubs feature highly symbolic skits that touch the most sensitive subjects, to the delight of the politically sophisticated Hungarians. After Kadar's triumphal talks with Brezhnev last fall, one act showed two lovers kissing and making up, amid sighs of popular relief.

Kadar quite obviously does not mind being	
lampooned. In fact, he once sat appreciatively	
through a cabaret act that was particularly rough	
on him, and applauded along with the rest of the	
audience.	

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Polish Interest in Lost Eastern Territories

The wide publicity that Warsaw gave to last week's visit by Lithuanian party boss Grishkya-vichyus suggests that the regime is attempting to respond to public interest in the fate of Poles living in the USSR.

Nearly 1.5 million Poles live in the Soviet Union, mainly in areas that were once part of Poland, and an estimated 300,000 reside in Lithuania. Vilnyus—the capital of Lithuania—and Lvov in the Ukraine were once major centers of Polish cultural and political life. The US embassy in Warsaw says that many Poles retain emotional ties to the lost territories and often talk about visiting "Polish churches" in Lithuania.

The most recent demonstration of popular interest occurred in December, when 15 intellectuals reportedly signed a letter to the government complaining about the lack of Polish cultural outlets in the Soviet Union. According to Western news media, the police detained at least one man, who was seeking more signatures for the letter. Poles living in the West have also questioned the Gierek regime on the subject.

Gierek will be very cautious in approaching Moscow on this sensitive matter. He probably hopes that symbolic steps such as the Grishyavichyus visit will put his leadership on record as aware of the concerns of the Poles without offending Moscow.

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